

EXHIBIT B

**AGREEMENT OF LIMITED PARTNERSHIP FOR
LOGICAL TELECOM, LP**

The undersigned are executing this Agreement of Limited Partnership (the "Agreement") effective as of the 17 day of March, 2005, for the purpose of forming a limited partnership.

WITNESSETH:

Whereas the Partners (as defined below) hereto desire to form a limited partnership to conduct the Business (as defined below), in consideration of the terms and conditions herein set forth, the Partners agree as follows:

**ARTICLE 1
FORMATION OF LIMITED PARTNERSHIP**

- 1.01 Formation of Limited Partnership. The Partners hereby enter into and form a Texas limited partnership (the "Partnership") pursuant to the provisions of The Texas Revised Limited Partnership Act, Article 6132a-1, Texas Revised Civil Statutes, as amended, for the purposes and pursuant to the provisions herein set forth. The applicable law of the State of Texas pursuant to which the Partnership is formed and/or governed from time to time is herein referred to as the "Act."
- 1.02 Statutory Requirements. The General Partner shall immediately cause a certificate of this agreement (the "Certificate") to be filed with the Secretary of State of the State of Texas. Additionally, the Partners (as required by law) shall hereafter execute and acknowledge and shall file or cause to be filed such other and further certificates, original and/or amended, evidencing the formation and operation of the Partnership, at such time, in such form and containing such information as may be required by the laws of the State of Texas.

**ARTICLE 2
PURPOSE**

- 2.01 Purposes of Partnership. The purpose of the Partnership generally shall be to purchase, sell, lease, construct, renovate and otherwise acquire and/or dispose of any interest in any real or personal property and related goods and services in connection with the establishment and operation of the provision of telephone services in the United States (collectively the "Business"), and to conduct such other activities as are permitted under applicable law and that are approved in writing by the Partners.

**NOTICE: THIS AGREEMENT CONTAINS PROVISIONS FOR INDEMNIFICATION
AND FOR BINDING ARBITRATION.**



- 2.02 Purposes Limited. The Partnership shall be a partnership only for the purpose specified in section 2.01 above. Except as otherwise provided in this Agreement, the Partnership shall not engage in any other activity or business and no Partner shall have any authority to hold himself out as a general agent of another partner in any other business or activity. The Partners shall use the Partnership's credit and assets solely for the benefit of the Partnership. No asset of the Partnership shall be transferred or encumbered as security for the payment of any individual obligation of a Partner.

ARTICLE 3 **NAME, PLACE OF BUSINESS, DURATION**

- 3.01 Name. The name of the Partnership shall be as set forth in the heading of this Agreement. All business of the Partnership shall be conducted under such name or a derivative thereof. If required by law, the Partners shall execute and the General Partner shall cause to be filed in the records of the County Clerk of the county in which the Business is situated and in such other records and places as may be required by law, assumed name certificates and such other certificates as may be required by law.
- 3.02 Place of Business. The principal place of business of the Partnership shall be located at 1920 S. Main St., Suite 271, McAllen, Texas or at such other location as the General Partner may hereafter select. The physical location of the accounting records of the Partnership shall be 1920 S. Main St., Suite 271, McAllen, Texas, or at such other location in Texas as the General Partner may hereafter select.
- 3.03 Registered Agent and Office. The Partnership's Registered Agent for service of process is, Luis Cardenas and the street address of the registered office of such agent is 1 Paseo del Prado, Suite 101, Edinburg, Texas 78539.
- 3.04 Duration. The Partnership shall commence and be effective on the date the Certificate is filed with the Secretary of State of the State of Texas and shall continue until terminated, liquidated or dissolved in accordance with provisions of this Agreement or by operation of law.

ARTICLE 4 **THE PARTNERS**

- 4.01 The General Partner. RAC Logical Management, LLC shall be the sole general partner of the Partnership (sometimes herein referred to as the "General Partner"). There are no other general partners of the Partnership, nor may any other person or entity become a general partner of the Partnership, except as may be specifically provided herein.



- 4.02 The Limited Partners. The parties listed on the signature pages hereto as "limited partners" shall be the initial limited partners of the Partnership (sometimes herein referred to as the "Limited Partners"). Initially, there are no other limited partners of the Partnership, and no person or entity has any right to become a limited partner of the Partnership, except as may be specifically provided herein. The General Partner and the Limited Partners shall be hereafter referred to as the "Partners."

ARTICLE 5

AUTHORITY, DUTIES AND RESPONSIBILITIES OF GENERAL PARTNER

- 5.01 Control and Management. The Partners hereby appoint the General Partner as the managing partner of the Partnership. This appointment shall be irrevocable throughout the term of this Agreement unless the General Partner shall resign, withdraw or be removed pursuant to court order or be removed under Section 5.07 of this Agreement. Subject to the specific limitations contained in Section 5.05 of this Agreement or imposed by applicable law, the General Partner shall have the exclusive authority, duty and responsibility to manage, supervise, operate and control the business, affairs and property of the Partnership and to take all action necessary or desirable to accomplish the purposes of the Partnership (as set forth herein), including, but not limited to, the authority, duty and responsibility (to the extent of the assets and funds of the Partnership available therefor) to:
- (a) Acquire, construct, operate, maintain and lease any real or personal properties owned by the Partnership;
 - (b) Operate the Business and take all actions necessary or incidental to such endeavor;
 - (c) Control and manage the Partnership's assets for the Partnership's account, handle collections and disbursements of the Partnership's funds, and pursue any matters necessary or desirable in connection with all applicable laws, rules and regulations of governmental agencies having jurisdiction with reference to the Partnership's operations and properties;
 - (d) Pay all trade debts and other indebtedness owing by the Partnership or owing with respect to and secured by the Partnership's assets, or any part thereof, prior to delinquency, and perform such other acts as may be deemed necessary to preserve the Partnership's interest therein;
 - (e) Establish and maintain books of account and records and financial and accounting controls;
 - (f) Open bank accounts for the funds of the Partnership;



- (g) Compromise claims and institute or defend law suits, and act as the Partnership's registered agent if required by law;
- (h) Employ, supervise, compensate and terminate the employment of persons on behalf of the Partnership;
- (i) Hire and engage various third parties, including entities affiliated with or owned by one or more of the Partners, to provide accounting, management and other services for or on behalf of the Partnership.
- (j) Procure and maintain insurance against risks and in amounts deemed advisable by the General Partner for the Partnership and its Partners;
- (k) Prepare financial and business reports;
- (l) Prepare and file all Partnership tax returns and make all elections for the Partnership thereunder;
- (m) Subject to the limitations provided in Section 5.05 of this Agreement, take any and all other actions which are permitted to be taken by a general partner under the Act and which are customary or are reasonably related to the operation of the Partnership.

5.02 Reliance on Authority. All persons and entities dealing with the Partnership and/or the General Partner as general partner of the Partnership shall be entitled to rely on the authority and power of the General Partner as set forth in this Agreement. The signed statement of the General Partner reciting that it has authority or the necessary votes, consents or approvals of the Partners to take any action, as to any third person, will be conclusive evidence of the power and authority of the General Partner to take that action. Such statement shall not, however, have any effect between any of the Partners unless the action in question was in fact authorized pursuant to this Agreement. Without limiting the generality of any other provision of this Agreement, each Partner will promptly execute instruments determined by the General Partner to be appropriate to evidence the authority of the General Partner to consummate any transaction on behalf of the Partnership permitted by this Agreement.

5.03 Necessity of Inquiry. In no event shall any person or entity dealing with the General Partner with respect to any business of the Partnership be obligated to ascertain that the provisions of this Agreement have been complied with or be obligated to inquire into the necessity or advisability of any act or action of the General Partner.

5.04 General Partner's Attention to Partnership Affairs. The General Partner shall devote such attention, business capacity and expertise to the affairs of the Partnership as may be reasonably necessary in order to most expeditiously and profitably carry out the purposes of the Partnership.



5.05 Limitations on General Partner's Authority. Notwithstanding any other provisions of this Agreement to the contrary, the General Partner has no authority to, and the General Partner shall not:

- (a) Without the written approval of a majority in interest (not in number) of the Limited Partners:
 - (i) acquire or contract to acquire real property, except in the ordinary course of the Business;
 - (ii) borrow money in excess of Ten Million Dollars (\$10,000,000.00);
 - (iii) amend this Agreement;
 - (iv) do any act which would make it impossible to carry on the ordinary business of the Partnership;
 - (v) except as otherwise permitted herein, change or reorganize the Partnership into any other legal form;
 - (vi) require a Limited Partner to make any contribution to the capital of the Partnership not provided for herein; or,
- (b) Employ or possess, or permit any person or entity to employ or possess, the funds or assets of the Partnership in any manner except for the benefit of the Partnership and in furtherance of the Partnership's purposes;
- (c) Bind or obligate the Partnership with regard to any matter outside the scope of the Partnership's business; or
- (d) Confess judgment against the Partnership.

5.06 General Partner as Limited Partner. The General Partner or any member or shareholder, as the case may be, of the General Partner may at any time elect to participate in this Partnership as a Limited Partner in addition to its participation as General Partner. Any person or entity participating as both General and Limited Partner shall have all rights and powers, and be subject to the restrictions and liabilities (if any), of a Limited Partner to the extent of his participation as a Limited Partner.

5.07 Removal of a General Partner. A majority in interest (not in number) of the Limited Partners may remove a General Partner at any time, with or without cause, provided a new General Partner is simultaneously appointed to replace the General Partner that was removed.



ARTICLE 6
LIMITATIONS AND RESTRICTIONS ON LIMITED PARTNERS

- 6.01 No Participation. Except as provided in Section 5.05 hereof, the Limited Partners shall not have the obligation, duty or right to take part, directly or indirectly, in the active management and control of the business of the Partnership, and the Limited Partners are not authorized to perform any act, thing or deed in the name of, or on behalf of either the General Partner or the Partnership. The Limited Partners shall have no power or authority to do any act, deed or thing which will cause such Limited Partner to be classified or treated as a general partner of the Partnership. Nothing contained herein shall, however, limit the right, power or ability of a Limited Partner to enter the employment of the General Partner or act as officer or director thereof. No such employment shall be deemed to constitute any such Limited Partner a general partner of this Partnership for any reason whatsoever.
- 6.02 Withdrawal of Limited Partner. The Limited Partners shall have the right and option to withdraw from the Partnership upon thirty (30) days' prior written notice to the General Partner. If any Limited Partner shall elect to withdraw from the Partnership, he or it shall not be entitled to receive any compensation whatsoever for the value of his or its Ownership Interest in the Partnership. The Limited Partner's election to withdraw as a limited partner shall be deemed an election to forfeit and release any interest, right, claim or demand of the Limited Partner in the Partnership's assets, including (without implied limitation) the Property or distributions to the Partners occurring after the date of the Limited Partner's withdrawal from the Partnership, but the withdrawal shall not affect or impair in any way the Limited Partner's liabilities and obligations to the Partnership under this Agreement, as amended from time to time.
- 6.03 Limitation of Liability. The Limited Partners shall not be personally liable for any of the debts, obligations or losses of the Partnership or the General Partner, except as expressly provided in Sections 8.02 and 8.08 with respect to the Partners' contribution obligations.

ARTICLE 7
COMPENSATION OF PARTNERS

- 7.01 Compensation to General Partner. The General Partner shall be entitled to receive such fee and expense reimbursements as may hereafter be approved by the majority in interest of the Limited Partners.
- 7.02 No Compensation to Limited Partners. Except for any compensation due a Limited Partner for providing third party services to the Partnership on an agreed basis and the Limited Partners' share of the distribution of the Partnership's profits and assets as provided in Section 9.02 hereof, the Limited Partners shall not be paid or entitled to receive any other compensation, payment, reimbursement or fee from the Partnership.

ARTICLE 8
CAPITAL CONTRIBUTIONS AND ALLOCATION OF OWNERSHIP INTERESTS

- 8.01 Capital Contribution by General Partner. As of the date of this Agreement, the General Partner shall make an initial capital contribution to the Partnership in the amount shown on Exhibit A attached hereto and incorporated herein by reference for all purposes. The General Partner shall not be required to make any further or additional contributions to the capital of the Partnership, but shall have the right to elect to do so as provided in this Article.
- 8.02 Capital Contribution by Limited Partners. The Limited Partners shall each make an initial capital contribution (herein so called) to the Partnership as more particularly described on Exhibit A hereto. (The initial capital contributions by the General Partner and the Limited Partners, as provided for in Section 8.01 and this Section 8.02, and as reflected on Exhibit A, are in the aggregate referred to herein as the "Initial Capital Contributions."). Such Initial Capital Contributions shall be made in a lump sum as of the execution of this Agreement or in stages from time to time, as determined by the General Partner. The Limited Partners shall not be required to make any further or additional contributions to the capital of the Partnership except as expressly provided in Section 8.08, but shall have the right to elect to do so as provided in this Article.
- 8.03 Ownership Interests. The initial percentages of undivided ownership interest in the Partnership of each Partner shall be set forth on Exhibit A hereto. Each Partner's respective ownership interest in the capital, profits and losses of the Partnership as shown on Exhibit A, and as adjusted from time to time as provided in this Agreement, is herein referred to as an "Ownership Interest," and collectively as the "Ownership Interests."
- 8.04 Additional Capital Contributions. If additional working capital is required by the Partnership and the General Partner is unable to finance such working capital needs by borrowing the required amounts upon such terms and conditions as the General Partner may deem necessary or appropriate, then the General Partner shall notify the Partners of the need of such additional working capital on behalf of the Partnership. Thereupon, all Partners shall have the right (but not the obligation) to contribute in cash to the Partnership the required working capital, said contributions to be made in the same proportion as their respective Ownership Interest in the Partnership at the time any such notice is given. With respect to any funds tendered by a Partner to the Partnership as a consequence of such notice, the Partners agree that 99% of any such contribution shall be treated as a loan from the contributing Partner to the Partnership (herein called an "Additional Partner Loan") and the remaining 1% of such contribution shall be treated as an additional capital contribution hereunder (herein called an "Additional Capital Contribution") from the contributing Partner or Partners (the "Contributing Partner") to the Partnership. Any Additional Partner Loan shall bear interest at a fluctuating rate equal to the Wall Street Journal's Prime Rate (as defined below), plus two percent (2%) per annum and shall be repayable in the manner provided in the promissory note or notes executed by the Partnership in favor of the Contributing Partner to further

evidence such loan. The term "Wall Street Journal's Prime Rate" shall mean the base rate charged on corporate loans at large U.S. money center commercial banks, as determined by and published in the money rates section of the Wall Street Journal (Southwest Edition) from time to time, such interest rate to automatically fluctuate upward or downward with each change in the prime rate.

- 8.05 Failure to Make Additional Capital Contributions. If any Partner fails to contribute his or her full share of any additional working capital needed by the Partnership in the manner provided in Section 8.04 above (the "Non-Contributing Partner") within ten (10) days after notice to the Partners, then the other Partners shall be entitled (but not obligated) to contribute (in relation to their respective ownership percentages) the share of such contribution that was to be made by the Non-Contributing Partner. Any additional contributions shall be treated as Additional Partner Loans and Additional Capital Contributions by the Contributing Partner or Partners, as the case may be, as provided in Section 8.04 above.
- 8.06 Effect of Failure to Make Additional Partner Capital Contributions. In the event any Partner does not contribute his or her full share of any additional contribution to the Partnership, the Ownership Interest of the Non-Contributing Partner shall be diluted as follows. Once the ten (10) day deadline has passed for making such contribution, the General Partner shall recompute the Ownership Interests of all Partners by dividing the sum of all capital contributions made by each individual Partner since the inception of the Partnership (less any capital previously distributed to such Partner) by the total amount of all capital contributed to the Partnership by all of the Partners since the inception of the Partnership (less the total of all capital previously distributed to the Partners). The resulting fraction shall be the adjusted Ownership Interest of each Partner and shall supersede the percentage interests established prior thereto. Within ten (10) days following the General Partner's recomputation of Ownership Interests as provided in this Section 8.06, the General Partner shall forward a notice to all Partners setting forth the adjusted Ownership Interests; provided, however, that the failure of the General Partner to provide such notices shall not affect the validity of the recalculation of Ownership Interests.
- 8.07 Recapitalization by Admission of Additional Limited Partners. If additional capital is required for the purposes of the Partnership as set forth herein and the General Partner is unable to finance such capital needs by borrowing the required amounts or through notice to the existing Limited Partners of the necessity for Additional Capital Contributions as provided in Sections 8.04 and 8.05 above, the General Partner shall have the right to admit additional Limited Partners to the Partnership and to amend this Agreement to dilute the Ownership Interests of the remaining Partners in the manner provided in Section 8.06 above. In such event, the General Partner shall be authorized to amend this Agreement and any certificate required by law to effect the admission of the additional Limited Partners on terms and conditions determined by the General Partner, in his sole and absolute discretion.
- 8.08 Obligation to Restore Deficits in Capital Accounts. If upon dissolution and liquidation of the Partnership any Partner has a negative balance in such Partner's capital account, as

determined after taking into account all capital account adjustments for the taxable year of the Partnership during which such liquidation occurs, such Partner shall be unconditionally obligated and liable to the Partnership to restore the amount of such deficit balance by the end of the then current taxable year, which amount shall, upon liquidation of the Partnership, be paid to creditors of the Partnership or distributed to the other Partners in accordance with their positive capital account balances.

ARTICLE 9

ALLOCATIONS AND DISTRIBUTIONS

- 9.01 Allocations. Except as may otherwise be required by Section 704(c) of the Internal Revenue Code of 1986, as amended, (the "Code") and Treasury Regulation § 1.704-1(b)(2)(iv)(f)(4) and subject to the provisions of Section 12.04 hereof, all items of income, gain, loss, deduction, and credit of the Partnership shall be allocated among the Partners in accordance with each Partner's respective Ownership Interest in the Partnership.
- 9.02 Distributions of Net Cash Flow. The Net Cash Flow of the Partnership (as herein defined) shall be distributed to the Partners, as frequently as the General Partner shall determine from time to time, said Net Cash Flow to be distributed among the Partners in accordance with each Partner's respective Ownership Interest in the Partnership. The General Partner also may cause property of the Partnership, other than cash, to be distributed to the Partners. Immediately prior to any such distribution of Partnership property other than cash, the capital accounts of the Partners shall be adjusted as provided in Treas. Reg. § 1.704-1(b)(2)(iv)(f).
- 9.03 Definition of Net Cash Flow. For purposes hereof, the term "Net Cash Flow" shall equal the positive difference, if any, between:
- (a) the total of all cash owned by or available to the Partnership, including without limitation loan proceeds in excess of Business costs, and other cash proceeds derived from operation and/or sale of the Business ("Operating Revenues"), less
 - (b) the working capital requirements and other reasonable reserves of the Partnership established by the General Partner as necessary to effect and discharge from time to time the total gross cash expenditures for Business costs (including, without limitation, the repayment of Partner Loans and Additional Partner Loans) as estimated in good faith by the General Partner.
- 9.04 Special Provisions Respecting Transfers and Other Shifts of Ownership Interests. In fiscal years of the Partnership where there are transfers and other changes in the respective Ownership Interests of the Partners during the course of the year, it is agreed that all income, gains, losses, and deductions of the Partnership shall be determined on an annualized basis and then allocated among the Partners in accordance with each Partners' "Blended Ownership Interest" in the Partnership for that year. Where a Partners' Ownership Interest increases or

decreases during the course of a year, such Partner's "Blended Ownership Interest" shall be determined by calculating the weighted average percentage of such interest using a 365 day year and the relative number of days of the year such Ownership Interest was at each particular ownership percentage. Likewise, the aggregate Net Cash Flow distributed to the Partners during a year shall be allocated and divided among the Partners in accordance with these same Blended Ownership Interests. If necessary, the Partnership shall make an end-of-year adjustment in the amount of Net Cash Flow distributed to each partner to reconcile and insure that the Partnership's Net Cash Flow has, in fact, been distributed in accordance with these Blended Ownership Interest.

- 9.05 Partnership Tax Returns. Any provision of this Agreement to the contrary notwithstanding, for United States Federal Income Tax purposes, the Partners hereby recognize that the Partnership shall be subject to all provisions of Subchapter K of Chapter I of Subtitle A of the United States Internal Revenue Code of 1986; provided, however, the filing of U.S. Partnership Returns of Income shall not be construed to extend the purposes of the Partnership or expand the obligations or liabilities of the Limited Partners.

ARTICLE 10

FISCAL MATTERS

- 10.01 Fiscal Year. The fiscal year of the Partnership shall be the calendar year. The first fiscal year shall begin on the date of the commencement of the Partnership and shall end on December 31st of such year. The last fiscal year shall commence on January 1 of the calendar year in which the Partnership terminates and shall end on the date of termination of the Partnership.
- 10.02 Books and Records. The Partnership shall maintain a complete and accurate set of books, records and supporting documents of the Partnership in accordance with tax accounting principles applied on a consistent basis (unless required otherwise by any governmental or regulatory agency having jurisdiction of the Limited Partnership or any parent, subsidiary or affiliate of the Limited Partnership). The books, records and supporting documents, and all other financial records of the Partnership shall be kept at the principal place of business of the Partnership and shall be available to the Partners for inspection and copying at all reasonable times, or as otherwise provided by applicable law.
- 10.03 Annual Statements. Annually, the General Partner shall cause to be prepared annual financial statements with respect to the business and affairs of the Partnership. The General Partner may cause such financial statements to be reviewed and/or audited at Partnership expense; and, unless otherwise agreed, any Limited Partner may request that the financial statements of the Partnership be reviewed and/or audited at the requesting Limited Partner's expense.
- 10.04 Tax Returns. The General Partner shall cause the Partnership to file all tax and information returns required of the Partnership promptly and to promptly furnish to the Partners all

information and documentation with respect to the Partnership required by the Partners to complete their federal, state and/or local tax returns.

- 10.05 Tax Matters Partner. The General Partner is hereby designated as the "tax matters partner" pursuant to Section 6231 of the Code. In the event of an audit of the Partnership's federal income tax return, the General Partner will promptly advise all Partners of the audit and provide each Partner with a copy of any final partnership administrative adjustment (as defined in Section 6223(a) of the Code).
- 10.06 Capital Accounts of Partners. The Partnership shall maintain a Capital Account (herein so called) for each Partner, the initial balance of each of which Capital Accounts shall be zero. The Capital Account of each Partner shall be increased by (i) the amount of the Capital Contributions (including Initial and Additional Capital Contributions) actually contributed to the Partnership by such Partner, as set forth in Article 8 hereof, and (ii) any distributive share of Partnership profit, gain or income allocated to that Partner pursuant to the provisions hereof. Each Partner's Capital Account shall be decreased by (i) all deductions and losses allocated to that Partner, and (ii) the amount of cash or property actually distributed to that Partner. The foregoing provision and other provisions of this Agreement relating to the maintenance of capital accounts are intended to comply with the Treasury Regulations promulgated under §704 of the Internal Revenue Code of 1986, and shall be interpreted and applied in a manner consistent with such regulations.
- 10.07 Partnership Accounts. All funds of the Partnership, as and when received, shall be deposited in the name of the Partnership in an account or accounts maintained at a national or state bank or savings association, in accounts or other investments insured by an agency or instrumentality of the federal government, which bank or savings association shall be selected by the General Partner. Checks, drafts and negotiable orders of withdrawal shall be drawn upon the Partnership account or accounts only for Partnership purposes and shall be signed by the General Partner.

ARTICLE 11 TRANSFER OF INTERESTS

11.01 Restrictions on Transfers.

(a) Except as hereinafter set forth, no Partner shall sell, assign, transfer, encumber, or otherwise dispose of any interest in the Partnership, whether voluntarily or by operation of law, by gift or otherwise, except in accordance with the provisions of this Agreement. Any purported transfer in violation of any provision of this Agreement shall be void and ineffectual, shall not operate to transfer any interest or title in the purported transference, and shall give the other Partners and/or the Partnership the right to purchase such interest in the manner and on the terms and conditions provided for herein.



(b) The Partnership will not be required to recognize the interest of any transferee who has obtained a purported interest as the result of a transfer of ownership which is not a transfer in accordance with the provisions of this Agreement. If the ownership of an interest in the Partnership is in doubt, or if there is reasonable doubt as to who is entitled to a distribution of the income realized from an interest in the Partnership, the Partnership may accumulate the income until this issue is finally determined and resolved and shall not be obligated to pay any interest on such accumulated income.

(c) No transfer of any interest in the Partnership shall be valid, and no person shall be admitted as a Partner, unless and until the Partnership and the other Partners shall have approved the same, and the proposed transferee (together with such proposed transferee's spouse, if any) shall have executed and become a party to this Agreement and complied with all other requirements as set forth herein.

(d) Any assignment made to anyone except in accordance with the provisions of this Agreement shall not relieve the assignor from obligations to make additional contributions to capital, shall not relieve the assignor from liability under the provisions of this Agreement, and shall not give the assignee the right to become a Partner. Neither the General Partner nor the Partnership shall be required to determine the tax consequences to a Partner or its assignee arising from the assignment of an Ownership Interest. . The Partnership shall continue with the same basis and capital account for the assignee as was attributable to the former owner who assigned the Ownership Interest.

11.02 Substituted Limited Partner. Only with the consent of the Partners may an assignee of an interest in the Partnership become a substituted limited partner with respect to the interest assigned to such assignee, provided such assignee or transferee is a competent adult or an entity that received such interest by a transfer permissible under this Agreement. Any approved assignee of a limited partnership interest, or any part thereof, shall be required to deliver to the General Partner an instrument evidencing such assignee's intent to acquire such interest for investment solely for such assignee's own account and not with a view to distribution thereof, and such other assurances with respect to the applicability of any Securities Laws as the General Partner in its discretion may require. The execution and delivery of such assurances to the General Partner shall be a condition precedent to the giving of consent to any assignment. The consent of the Partners to an assignment shall not itself constitute substitution of the assignee as a limited partner. Admission of an assignee of a limited partnership interest as a substituted limited partner shall in all events be conditioned upon such assignee's (and such assignee's spouse, if any) having legally and effectively executed, delivered, and joined in (a) a counterpart of this Agreement, and (b) such other instruments as the General Partner may deem appropriate in order to comply with applicable provisions of law and the terms of this Agreement.

11.03 Indemnification for Prohibited Transfer. If any sale, transfer, assignment or disposition be made in violation of this Agreement, the Partner so violating this Agreement shall indemnify and hold the Partnership and each other Partner wholly



free and harmless from any loss, cost, or expense (including attorneys' fees) resulting from or arising out of such violation under any Securities Laws (as defined below), tax laws or otherwise.

11.04 Liability of Assignor. Each Partner shall remain primarily liable for the performance of all obligations and undertakings made by such Partner, notwithstanding the transfer and assignment of all or any portion of such Partner's interest in the Partnership and whether or not such assignee shall become a substituted partner as to such interest, unless and until all Partners shall by express written instrument consent to the release of such transferring Partner from such obligations. Such continued obligation and liability of a Partner shall be in addition to any obligation or liability assumed or undertaken by such Partner's assignee or substituted limited partner.

11.05 Additional Transfer Restrictions and Repurchase Options. All interests in the Partnership shall be subject to purchase options and restrictions on transfer and on registration of transfer, as follows:

(a) Transfers Violating Securities Laws. No interest in the Partnership shall be sold, pledged, hypothecated, or otherwise transferred unless (i) registered under the Securities Act of 1933 or any applicable state Securities Laws ("Securities Laws") or (ii) an exemption from registration under the Securities Laws is available. As a condition precedent to the recognition of transfer of any interest in the Partnership, the Partnership at its option may require the transferor or transferee of such interest to provide an opinion of counsel acceptable to the general partner that such proposed transfer will not violate any applicable federal or state Securities Laws. In the event of any violation of this subparagraph, the Partnership and/or the remaining partners shall have the preferential right to purchase the applicable transferred interest in accord with the provisions of section 11.06 below.

(b) Additional Restrictions and Preferential Options. In addition to the restrictions on transfer or on recognition of transfer of interests in the Partnership set forth above, the Partnership, and then the other Partners, shall have the preferential right to purchase any interest in the Partnership upon each change of the ownership of such interest. Any change of ownership (except for the transfer from the spouse of any named Partner to such Partner of any interest owned by such spouse in the Partnership held by such Partner) of any right, title, or interest, legal or beneficial, shall be a change in ownership for purposes of the preferential rights to purchase set forth in this Agreement. In the event of any violation of the provisions of this Article, the Partnership, and then the remaining Partners, shall have the preferential right to purchase all the interest subject to the change of ownership (the "Option Interest") upon the terms and conditions set forth below.

(c) Death of a Partner. The death of a Partner shall not terminate the Partnership. The death of a Partner shall be an event giving rise the preferential rights of the Partnership and the Partners specified herein., including with respect to the interest, if any, owned by the spouse of such Partner, which spouse is not a Partner.



11.06 Exercise of Preferential Right.

(a) Partnership's Right. The preferential right of the Partnership may be exercised at any time prior to the expiration of sixty (60) days after the Partnership shall have received written notice of the event giving rise to such option rights, by giving written notice to the Partner holding the Option Interest at such Partner's address last known to the Partnership; provided, however, that in the event the Partnership does not have sufficient financial capacity to redeem such Ownership Interest without the purchase being deemed an improper distribution under the Act, then at the election of the Partner holding the Option Interest and written notice thereof to the other Partners, the Partnership shall be deemed to have failed to exercise its right to purchase hereunder.

(b) Partners' Option. If the Partnership shall fail to exercise any right to purchase as provided herein, then all remaining Partners of the Partnership (other than the transferor or the transferee of such Option Interest) shall have a like option to purchase all, but not less than all, such Option Interest, upon the same terms and conditions, within thirty (30) days after the expiration of such right of the Partnership. If more than one Partner shall desire to participate in purchasing such Option Interest pursuant to exercise of this option, and the allocation of the Option Interest to be purchased by and among them shall not otherwise be agreed, each Partner who participates in such purchase shall be entitled to purchase a prorated portion of such Option Interest equal to the portion which the percentage interest the Partner then owns in the Partnership bears to the total percentage interest then owned by all Partners who are participating in such purchase.

11.07 Terms and Conditions.

(a) Purchase Price. The purchase price at which the Partnership may purchase the Option Interest shall be determined as follows:

(1) If the right to purchase shall have arisen for any reason other than a bona fide sale or transfer of the Option Interest to a third party for value, the purchase price shall be equal to the fair market value of such Ownership Interest at the time of exercise of such option as agreed among the parties in interest; but if such parties shall not otherwise agree, then the fair market value of such Ownership Interest shall be determined by appraisal as follows:

"Fair Market Value" of the Option Interest shall be determined by the average of the fair market values established for the Partnership by one independent appraiser selected by the purchasers of the Option Interest ("Purchasers") and another independent appraiser selected by the holder of the Option Interest ("Holder"); provided, however, that if the fair market value determined by one of such appraisers is 110% or more of the fair market value determined by the other of such



appraisers, the average used for purposes of "Fair Market Value" shall be the average of the fair market values determined by (i) a third independent appraiser jointly selected by the Purchasers and the Holder (or, if the Purchasers and such Holder are unable to agree on such third appraiser, such third appraiser shall be selected according to the rules at the time in effect of the American Arbitration Association) and (ii) the average of the fair market values previously established for the Partnership by the two original appraisers. In establishing the Fair Market Value, the appraisers should consider appropriate discounts for lack of marketability and minority interest. The costs of the appraisals shall be borne as follows: (a) the Holder shall bear the cost of its appraisal, and the Purchasers shall bear the cost, pro rata in proportion to the percentage of Option Interest purchased by each of them, of their appraisal; (b) in the event of a third appraisal, the Holder shall bear 1/2 the cost and the Purchasers shall bear 1/2 the cost (pro-rata among them) of such third appraisal.

Such value shall be determined as of the month-end next preceding (i) the date on which the Partnership shall have received written notice of the event giving rise to its option rights, or (ii) the date on which the partnership shall have given notice of its election to exercise its rights hereunder, whichever first occurs.

(2) If the right to purchase shall have arisen by reason of a bona fide sale or transfer of the Option Interest to a third party for value, the purchase price and payment terms for such Option Interest shall be the same as the purchase price and payment terms pursuant to which such Option Interest was, or was to be, transferred to such third party for value.

(b) Payment of Purchase Price. Unless otherwise agreed or as provided in subsection 11.07(a)(2) above, the consideration representing the purchase price shall be paid as follows:

(1) Any available life insurance proceeds shall be applied to the purchase price at closing;

(2) an amount equal to ten percent (10%) of the balance owing after application of any life insurance proceeds shall be paid to the seller(s) by the purchaser(s) of the Ownership Interest in cash or by certified or cashier's check at the closing of such sale; and

(3) the balance of the purchase price shall be paid by the execution and delivery to the seller(s) at the closing of the sale of a promissory note payable to the order of the seller(s) in the original principal amount equal to such balance. Such note shall be mature one (1) year from the date of closing, and shall be payable in twelve equal



monthly installments of principal (plus accrued and unpaid interest). Such note shall bear interest on the unpaid balance of principal prior to maturity at a floating rate of interest equal to Wall Street Journal (Southwest edition) Prime Rate for a note of this type. Said note may be prepaid in whole or in part without penalty at any time and shall contain the customary provisions relating to the acceleration of maturity in the event of default, penalty interest on past due installments at the maximum rate permitted by law and reimbursement of attorney's fees and court costs. The note shall be without recourse to the purchaser(s) executing such note and shall be secured solely by the Ownership Interest being purchased.

(c) Closing. Any purchase and sale of the Option Interest pursuant to the exercise of any right of purchase hereunder shall be closed within thirty (30) days after the exercise of such right of purchase except, however, if the right of purchase arises as a result of the death of a partner, then closing shall occur on the earlier of (i) one (1) year after the date of death, or (ii) thirty (30) days after notice of the closing of the estate of the deceased partner. For purposes of such closing, valid and legally effective assignments of all Option Interest subject to purchase shall be tendered to the purchases thereof at the principal offices of the Partnership, accompanied and supported by documentary evidence of the authority of the assignors and ownership of the Option Interest sufficient to evidence the legal effectiveness of the transfer of such Option Interest to the purchasers hereunder. Such purchase and sale shall be closed by delivery of the consideration representing the purchase price to the parties owning and transferring such Option Interest to the purchaser or purchasers. Notwithstanding the date on which any such transaction shall be closed, any such purchase and sale of Option Interest pursuant to any option hereunder shall be deemed to have been made effective as of the date of the event giving rise to the applicable purchase rights hereunder.

11.08 Put or Call. In the event that a Partner desires to sell all (but not less than all) of its Ownership Interest, such Partner (the "Tendering Partner") shall so inform (the "Buy-Sell Notice") the Partnership and the other Partners (individually referred to as "Offeree" and collectively as "Offerees") stating the price (per percentage Ownership Interest) and the terms on which he is willing to sell all (but not less than all) of his Ownership Interest to the Offerees. By giving the Buy-Sell Notice, the Tendering Partner shall be deemed to have granted to the Offerees an option to either purchase the Ownership Interest of the Tendering Partner for the price (per percentage Ownership Interest) and upon the terms set forth in the Buy-Sell Notice or to sell their Ownership Interests to the Tendering Partner for the price (per percentage Ownership Interest) and upon the terms set forth in the Buy-Sell Notice.

(a) Intention to Exercise by Offerees. Within 20 days after receipt of the Buy-Sell Notice from the Tendering Partner, the Offerees shall notify the Tendering Partner that they elect to either (a) sell all (but not less than all) of their Ownership Interests to the Tendering Partner at the price (per percentage Ownership Interest) and upon the terms and conditions set forth in the Buy-Sell Notice or (b) at the Offerees' option to either cause the Partnership to purchase the Tendering Partner's Ownership Interest at the price (per percentage Ownership Interest) and upon the terms and conditions set forth in the Buy-Sell Notice or to purchase



the Tendering Partner's Ownership Interest themselves in such proportions as they agree upon among themselves or if they cannot agree, on a pro rata basis, at the price per percentage Ownership Interest and upon the terms and conditions set forth in the Buy-Sell notice.

(b) Failure to Exercise. If the Offerees fail to exercise either of the options granted to them pursuant to this Section within the applicable period specified therein, then the Offerees shall be deemed to have elected to sell all (but not less than all) of their Ownership Interests to the Tendering Partner at the price per percentage Ownership Interest and upon the terms and conditions set forth in the Buy-Sell Notice.

(c) Purchase by the Partnership. In the event that Offerees shall elect to sell all of their Ownership Interests to the Tendering Partner, then the Tendering Partner may elect, by giving notice to the Offerees, to cause the Partnership (but only to the extent the Partnership may do so without risk of damage or liability to the Offerees) to purchase all of the Ownership Interests of the Offerees instead of the Tendering Partner purchasing them. In the event that the Offerees shall elect, under and pursuant to this Section to cause the Partnership to purchase all (but not less than all) of the Ownership Interest of the Tendering Partner, or in the event that the Tendering Partner shall elect, under and pursuant to this Section, to cause the Partnership to purchase all (but not less than all) of the Ownership Interests of the Offerees, the Tendering Partner or the Offerees, (as the case may be) agree, if so requested by the other, to vote or cause a vote to be made in favor of the exercise by the Partnership of its right to purchase all (but not less than all) of the Ownership Interest(s) of the Tendering Partner or the Offerees (as the case may be).

11.09 Transfer by Gift or Without Consideration. No transfer without consideration or by gift of an Ownership Interest may be made by any Partner, except in accordance with this Section. Any Partner who desires to transfer without consideration or give to any person or entity any Ownership Interest registered in such Partner's name during the lifetime of such Partner shall first give a 30 day notice by written instrument to the Partnership describing the proposed transfer or gift. The notice shall contain a complete description of the transfer or gift including the amount of Ownership Interest to be transferred and a complete description of the proposed transferee. The Partnership shall promptly give notice to the other Partners of the proposed transfer. In order for the transfer or gift to be made, the Partnership and all of the other Partners must consent in writing to the proposed transfer or gift within the 30 day period. If such consent is not obtained, the proposed transfer or gift may not be made. If such consent is obtained, the proposed transfer or gift must be made within 30 days (after the expiration of the 30 day consent period of the Partnership and other Partners) in the same manner as set out in the notice to the Partnership. If the transfer or gift is not made within 60 days (composed of the 30 day consent period followed by the 30 day transfer period), it shall not thereafter be made. Any Ownership Interest so transferred shall remain subject to this Agreement. Any transferee shall thereafter have all of the rights and obligations of a Partner hereunder and shall hold such Ownership Interest subject to the terms and provisions hereof.



- 11.10 Preferential Rights to Purchase Membership Interests in RAC Logical Management, LLC. As of the date of any change of ownership or proposed change of ownership under this Article 11, the transfer or proposed transfer of a Limited Partner's Ownership Interest shall be deemed to be the occurrence of an event giving rise to the preferential rights to purchase RAC Logical Management, LLC Membership Interests that are contained in the Regulations of RAC Logical Management, LLC (the "LLC") in favor of the LLC and the other members of the LLC, to the extent the transferring Partner is also a member of the LLC.

ARTICLE 12

DISSOLUTION AND TERMINATION

- 12.01 Causes of Dissolution. The Partnership shall be terminated and dissolved as set forth in Section 3.04 of this Agreement or upon the happening of any of the following events:
- (a) a determination by the unanimous vote of all the Partners that the Partnership should be dissolved and terminated; or,
 - (b) the adjudication of insolvency or bankruptcy of the Partnership, or an assignment by the Partnership for the benefit of creditors;
 - (c) upon the disposition and sale of all of the property of the Partnership; or,
 - (d) the adjudication of insolvency or bankruptcy of the General Partner, or an assignment by the General Partner for the benefit of creditors.
- 12.02 Bankruptcy of Partner. The insolvency, dissolution or bankruptcy of any Limited Partner shall not terminate the Partnership.
- 12.03 Liquidation. Upon dissolution of the Partnership for any reason, the Partnership shall engage in no further business other than such business as may be necessary to wind up its affairs and to distribute its assets. Such liquidation shall be handled by the General Partner as Liquidating Trustee (herein so called), except that if upon such dissolution the General Partner has been adjudicated insolvent or bankrupt, or has made an assignment for the benefit of creditors, or is no longer in existence, then two liquidating trustees (collectively, the "Liquidating Trustee") who may be Partners and/or qualified outsiders, shall be elected by the Limited Partners.
- 12.04 Distributions Upon Dissolution. Upon the dissolution of the Partnership, the Liquidating Trustee shall immediately proceed to terminate the business of the Partnership. The Liquidating Trustee shall proceed to sell the Partnership's property at such prices and on such terms as the Liquidating Trustee, in the exercise of his best business judgment under the circumstances then presented, deems in the best interest of the Partners. If any Partnership property is not sold but instead is to be distributed to the Partners in kind, unrealized gain or



loss shall be determined as if such Partnership property had been sold or otherwise disposed of at fair market value. Such gains or losses shall be allocated and credited or charged, as the case may be, to the Capital Accounts of the Partners in the manner provided in Article 9 hereof. Any such Partnership property to be distributed to the Partners in kind and any cash or liquid assets of the Partnership, and the proceeds of Partnership receivables as received by the General Partner or the Liquidating Trustee from time to time, shall be distributed as follows:

- (a) All of the debts and liabilities of the Partnership and the expenses of its dissolution, the settlement of its affairs, and the disposition and distribution of the Partnership's assets shall be paid or provided for to the satisfaction of the holders of such indebtedness (including the Partners extending Partner Loans and Additional Partner Loans to the Partnership); and
- (b) Any surplus remaining, including any amounts received by the Partnership from Partners in satisfaction of their obligation to restore any deficit in their Capital Account pursuant to Section 8.08 hereof, shall be distributed to the Partners pro rata in accordance with the positive balances in the Partners' Capital Accounts, and after the Partners' Capital Account balances are reduced to zero, then to the Partners pro rata in accordance with their Ownership Interests.

12.05 Timing of Liquidating Distributions. In accordance with applicable provisions of the Internal Revenue Code of 1986, liquidating distributions shall be made by the later to occur of:

- (a) the end of the Partnership's taxable year during which liquidation occurs, or
- (b) within ninety (90) days after the date of such liquidation.

Distributions pursuant to this Article may be temporarily distributed to a liquidating trust established for the benefit of the Partners for the sole purpose of liquidating Partnership assets, collecting amounts owed to the Partnership and paying any contingent or unforeseen liabilities of the Partnership. The assets of any such trust shall be distributed to the Partners from time to time in accordance with a schedule reasonably determined by the General Partner, in the same proportions as the amount distributed to such trust by the Partnership would otherwise have been distributed to the Partners pursuant to this Agreement.

ARTICLE 13 **ACTIVITIES OF THE PARTNERS**

13.01 Indemnification.

- (a) Standard and Extent. To the fullest extent permitted by law, and subject to the limitations stated in the next sentence, the Partnership shall indemnify and save



harmless each General Partner, its affiliates, agents, officers, employees, directors and shareholders (collectively, the "Indemnitees") from and against any and all claims, liabilities, damages, losses, costs and expenses (including amounts paid in satisfaction of judgments, and compromises and settlements, as fines and penalties, and legal or other costs and expenses of investigating or defending against a claim or alleged claim), of any nature whatsoever, known or unknown, liquidated or unliquidated, incurred by an Indemnitee and arising out of or in connection with the business of the Partnership or the performance by the Indemnitee of any of the General Partner's responsibilities under this Agreement. An Indemnitee is entitled to indemnification only if the Indemnitee acted in good faith and in a manner that the Indemnitee reasonably believed to be in or not opposed to the best interests of the Partnership and, with respect to any criminal action or proceeding, had no reasonable cause, and the Indemnitee's conduct did not constitute willful misconduct, fraud, gross negligence or a knowing violation of this Agreement. The termination of a proceeding by settlement, judgment, order, conviction, or on a plea of *nolo contendere*, or its equivalent, does not, of itself, create a presumption that an Indemnitee did not act in good faith and in a manner that the Indemnitee reasonably believed to be in or not opposed to the best interests of the Partnership or that the Indemnitee's conduct constituted willful misconduct or gross negligence. Any indemnification and saving harmless pursuant to this Section 13.01 shall be satisfied from and limited to Partnership assets, and no Partner has personal liability on account thereof.

- (b) Determination. Any indemnification under this Section 13.01, unless ordered by a court, shall be made by the Partnership only as authorized in the specific case and only on a determination by (i) at least fifty-one percent (51%) in interest (not in number) of the Limited Partners, (ii) independent legal counsel in a written opinion, or (iii) in the case of an Indemnitee other than the General Partner, its affiliates and their respective directors and executive officers, by the General Partner that the indemnification is proper in the circumstances because the applicable standards set forth in this Section 13.01 have been met.
- (c) Securities Law Violations. Notwithstanding this Section 13.01, no Indemnitee shall be indemnified or saved harmless from any liability, loss, damage or expense incurred by it in connection with a claim or settlement involving allegations that federal or state securities law were violated by the Indemnitee unless: (i) the Indemnitee is successful in defending the action, suit or proceeding; or (ii) the indemnification is specifically approved by a court of competent jurisdiction that has been advised of the current position of the Securities and Exchange Commission and any applicable state securities regulatory authority regarding indemnification for violations of federal or state securities laws, or independent legal counsel advises the Partnership that the matter of indemnification for violation of federal or state securities laws has been favorably settled by controlling precedent.



- 13.02 Participation in Other Activities. This Agreement shall not preclude or limit in any respect the right of any Partner (or any officer, director, stockholder, partner, trustee, beneficiary, parent, subsidiary or affiliated companies thereof) to engage or invest in any business activity of any nature or description, including those which may be in competition with the business of the Partnership, except that in the event any Partner enters into an agreement limiting his right to compete with the Partnership following voluntary termination of such Partner's employment with the General Partner, such agreement shall control the rights and obligations of such parties. Neither the Partnership nor any Partner shall have any right by virtue of this Agreement or any relationships created hereby in or to such other ventures or activities or to the income, benefits or proceeds derived therefrom.
- 13.03 Operating Restrictions. No rebates, kickbacks, or reciprocal arrangements may be received or entered into by any General Partner, nor may any General Partner participate in any business arrangement which would circumvent this Agreement.

ARTICLE 14 **POWER OF ATTORNEY**

- 14.01 Special Power of Attorney. Each Limited Partner hereby irrevocably makes, constitutes and appoints the General Partner (and any successor General Partner) as his true and lawful attorney in his name, place and stead (it being understood and intended that the grant of such power of attorney is coupled with an interest) to make, execute, sign, acknowledge and file with respect to the Partnership, with the joinder of the Limited Partners not being required, any of the following:
- (a) such original or amended Certificates of Limited Partnership as may be required by law or pursuant to the provisions of this Agreement, and such Certificates of Limited Partnership as may be required by law to reconstitute and continue the business of the Partnership in accordance with the provisions of this Agreement;
 - (b) all documents which may be deemed necessary or desirable to effect the dissolution of the Partnership after its termination; and
 - (c) all such other instruments, documents and certificates which may from time to time be required by the laws of the State of Texas (including the Act), the United States of America, or any other jurisdiction in which the Partnership shall determine to do business, or any political subdivision or agencies thereof, to effectuate, implement, continue and defend the valid and subsisting existence of the Partnership.



ARTICLE 15
REPRESENTATIONS

15.01 Representations. Each of the Limited Partners by executing and delivering this Agreement hereby represents and warrants to the General Partner, as follows:

- (a) it (or the beneficial owners of its interest) is a sophisticated investor and is experienced in business affairs;
- (b) it is able financially to comply with its obligations hereunder;
- (c) it has read this Agreement with care, and it and its advisors have received all the information requested by them in connection with the proposed business of the Partnership;
- (d) it understands that the Internal Revenue Service may disallow some or all of the deductions to be claimed by the Partnership, that the Partnership has no financial or other operating history, that the Ownership Interest is a speculative investment which involves a high degree of risk of loss, and that no governmental agency has made any finding or determination as to the fairness of the investment, nor any recommendation or endorsement of the Interest;
- (e) it understands that all documents, records and books pertaining to this investment have been made available to it, its attorney and/or its accountant and agents and employees. It acknowledges that no representations have been made to it with respect to the Partnership, the possible benefits available to investors, or any other matter or thing and understands that the only agreements or obligations of the General Partner or any affiliate of the General Partner are contained in this Agreement and no other correspondence or communication of the General Partner or any affiliate of the General Partner shall be binding upon the General Partner or such affiliate of the General Partner except as specifically incorporated in this Agreement; and
- (f) it understands, agrees and warrants that each of these representations and warranties of each Limited Partner contained above in this Section 15.01 shall be deemed for purposes of this Article 15 to also have been made by the person(s) making the decisions and representing the interests of or on behalf of such Limited Partner to other purchases of Ownership Interests.

ARTICLE 16
MISCELLANEOUS PROVISIONS

16.01 Ownership of Property. All assets of the Partnership shall be owned by the Partnership subject to the other terms and provisions of this Agreement. The General Partner and the



Limited Partners hereby expressly waive, renounce and abandon the right to require or have partition of the property of the Partnership. No Partner shall have any right to any specific asset of the Partnership upon termination of the Partnership and distribution of the assets of the Partnership.

- 16.02 General Partner's Consent. Whenever in this Agreement the consent or approval of the General Partner shall be required, the General Partner's consent or approval shall be reasonably given or withheld.
- 16.03 Voting Procedures. Whenever the consent, approval or vote of the Partners (or a specified group of Partners) is required or permitted under this Agreement, any Partner may notify the remaining Partners of the pendency of a vote, which may be taken by written consent without a meeting, or by ballot at a meeting. Unless the requirement of prior notice is waived by all Partners, each Partner shall be entitled to written notice of all meetings of the Partners, which notice shall specify the time, date (no earlier than five (5) business days after the notice), place (within Texas) and purpose of the meeting. Partners owning in the aggregate fifty-one percent (51%) of the Ownership Interests of the Partners shall constitute a quorum at any such meeting. The Partners shall vote in person or pursuant to sworn written proxy.
- 16.04 Notices. All notices and communications required or permitted to be given under the terms of this Agreement shall be in writing and shall be mailed to each Partner at the addresses set forth on the signature page of this Agreement opposite the signatures of the parties hereto. Any Partner may change his address by giving written notice of such change to General Partner, stating the old address and the new address.
- 16.05 Parties Bound. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.
- 16.06 Applicable Law. The Agreement is entered into in, is intended to be performed in, and shall be governed by and construed in accordance with the laws of the State of Texas. Venue for the purposes of enforcing any provisions of this Agreement shall be in Hidalgo County, Texas.
- 16.07 Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason or to any extent, be invalid or enforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law or equity.
- 16.08 Other Instruments. The Partners hereto covenant and agree to execute (and, if required by law or requested by any party hereto, verify, swear to and/or acknowledge) such other and further instruments, documents and other writings as are or may be or become necessary or



advisable to effectuate and carry out the Partnership created by this Agreement, as amended from time to time.

- 16.09 Multiple Counterparts. This Agreement may be executed in a number of identical counterparts with each counterpart executed by one or more Partners. If so executed, each of such counterparts is to be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one Agreement; but, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
- 16.10 Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.
- 16.11 Number and Gender of Words. Whenever the singular number is used herein, the same shall include the plural where appropriate, and the plural shall include the singular (where appropriate), and words of any gender shall include each other gender where appropriate.
- 16.12 Entire Agreement. This Agreement supersedes and replaces all prior discussions and agreements, oral and/or written, between the parties hereto with respect to the Property and all other matters contained herein, and constitutes the sole and entire agreement of the parties hereto with respect to the Partnership and all other matters set forth herein.
- 16.13 Arbitration.
- (a) Binding Arbitration. Upon the request of the General Partner or any Limited Partner or transferee or assignee of an Ownership Interest (collectively, the "parties"), whether made before or after the institution of any legal proceeding, any action, dispute, claim or controversy of any kind (e.g., whether in contract or in tort, statutory or common law, legal or equitable, or otherwise), now existing or hereafter arising between any of the parties (including their respective officers, directors, employees, agents, insurers, affiliates, any person in privity with them and any other representative), in any way arising out of, pertaining to or in connection with (i) this Agreement; (ii) any incidents, omissions, acts, practices or occurrences causing injury to any party whereby the other party(ies) or its agents, employees, or representatives may be liable, in whole or in part; or (iii) any aspect of the past or present relationships of the parties hereto, shall be resolved by binding arbitration in accordance with the terms of this Section 16.13. The foregoing matters shall be collectively referred to as "Disputes." Any party hereto may, by summary proceedings, bring an action in court to compel arbitration of any Disputes.
- (b) Governing Rules. Disputes shall be resolved by binding arbitration administered by the American Arbitration Association (the "AAA") in accordance with the terms of this Section, the Commercial Arbitration Rules of

the AAA, and, to the maximum extent applicable, the Federal Arbitration Act (Title 9 of the United States Code). If it is determined that the Federal Arbitration Act is inapplicable, Disputes shall be resolved in accordance with the provisions of the Texas General Arbitration Act, Tex. Rev. Civ. Stat. Ann. Art. 224, et seq. In the event of any inconsistency between this Section and such statutes and rules, this Section shall control. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.

(c) Preservation of Remedies; No Waiver.

- (i) No provision of, nor the exercise of any rights under, this Section shall limit the right of any party, and the parties shall have the right during any Dispute, to seek, use and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, protecting, or foreclosing upon any property right of such party, including, without limitation, rights and remedies relating to: (1) foreclosing against any real or personal property collateral or other security by the exercise of a power of sale under a deed of trust, mortgage or other security agreement or instrument, or applicable law; (2) exercising self-help remedies (including setoff rights); or (3) obtaining provisional or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment or the appointment of a receiver by a court having jurisdiction, before, during or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Dispute to arbitration nor render inapplicable the compulsory arbitration provisions hereof. Without limitation of the foregoing, the parties shall be entitled to the benefits of each and all of the remedies and assistance provided for by applicable law.
 - (ii) In Disputes involving indebtedness or other monetary obligations, each party agrees that the other parties may proceed against all liable persons, jointly and severally, or against one or more of them, without impairing rights against other liable persons. Nor shall a party be required to join the principal obligor or any other liable persons (including, without limitation, sureties and guarantors) in any proceeding against a particular person. A party may release or settle with one or more liable persons as the party deems appropriate without releasing or impairing rights to proceed against any persons not so released.
- (d) Statute of Limitations. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding.



- (e) **Scope of Award; Modification or Vacation of Award; Qualifications.** The arbitrators shall resolve all Disputes in accordance with applicable substantive law. Any arbitrator shall be knowledgeable in the subject matter of the Dispute. With respect to a Dispute in which the claim or amount in controversy does not exceed \$1,000,000.00, a single arbitrator (who shall have authority to render a maximum award of \$1,000,000.00, including all damages of any kind, costs and fees) shall be chosen and shall decide the Dispute. With respect to a Dispute in which the claim or amount in controversy exceeds \$1,000,000.00, the Dispute shall be decided by a majority vote of three (3) arbitrators. The arbitrators may grant any remedy or relief that the arbitrators deem just and equitable and within the scope of this Article. The arbitrators may also grant such ancillary relief as is necessary to make effective the award. In all arbitration proceedings in which the amount in controversy exceeds \$1,000,000.00 in the aggregate, the arbitrators shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings in which the amount in controversy exceeds \$1,000,000.00 in the aggregate, the parties shall have, in addition to the limited statutory right to seek vacation or modification of an award pursuant to applicable law, the right to seek vacation or modification of any award that is based, in whole or in part, on an incorrect ruling of law; provided, however, that any such application for vacation or modification of an award based on an incorrect ruling of law must be filed in a court having jurisdiction over the Dispute within fifteen (15) days from the date the award is rendered. The arbitrators' findings of fact shall be binding on all parties and shall not be subject to further review except as otherwise allowed by applicable law.
- (f) **Discovery.** Arbitrators shall have the discretion to order a pre-hearing exchange of information by the parties, including, without limitation, production of requested documents, exchange of summaries of testimony of proposed witnesses, and examination by deposition of parties. All time limitations and all issues regarding conformation with discovery requests shall be decided by the arbitrator(s).
- (g) **Confidentiality.** Each party agrees to keep all Disputes and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. No party nor any arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of all parties.
- (h) **Other Matters.** To the maximum extent practicable, an arbitration proceeding brought hereunder shall be concluded within one hundred eighty (180) days of the filing of the Dispute with the AAA. Arbitration proceedings hereunder shall be conducted at a location in Hidalgo County, Texas, agreed to in writing by the



parties, or, in the absence of such an agreement, selected by the AAA. Arbitrators shall be empowered to impose sanctions and to take such other actions as the arbitrators deem necessary to the same extent as a judge would be allowed pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. To the extent permitted by applicable law, the arbitrator(s) shall have the power to award and allocate recovery of all costs and fees (including attorneys' fees, administrative fees and arbitrators' fees) between the parties. The provisions of this Section shall survive any termination, amendment or expiration of the Agreement, unless the parties otherwise expressly agree in writing. This Section may be amended, changed or modified only by the express provisions of a writing which specifically refers to this Section and which is signed by all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in McAllen, Hidalgo County, Texas as of the day and year first set forth above, which shall be deemed to be the effective date of this Agreement for all purposes.

NOTICE: THIS AGREEMENT CONTAINS PROVISIONS FOR INDEMNIFICATION AND FOR BINDING ARBITRATION.

GENERAL PARTNER:

RAC LOGICAL MANAGEMENT, LLC

By: 
Ricardo Cardenas, Manager

LIMITED PARTNERS:


RAUL CARDENAS


RICARDO CARDENAS

EXHIBIT "A"

Initial Capital Contributions and Ownership Interests

NAME	CAPITAL CONTRIBUTION	OWNERSHIP INTEREST
<i>GENERAL PARTNER</i>		
RAC Logical Management, LLC	\$	1%
<i>LIMITED PARTNERS</i>		
Raul Cardenas,	\$	49.5%
Ricardo Cardenas	\$	49.5%
Total	\$	

A handwritten signature in black ink, appearing to be "R. Cardenas", is located in the bottom right corner of the page.

Spousal Consent

We the undersigned, being the spouses of the limited partners, parties to the foregoing Agreement of Limited Partnership for Logical Telecom, LP., hereby acknowledge that we have read the same in its entirety and clearly understand that our respective spouses have agreed upon terms and provisions with respect to the partnership interests that they own and in which we may have a community property or other interest. We are fully convinced of the wisdom and equity of the terms and provisions thereof and of the benefits to ourselves, respectively, in the Agreement. In consideration of the premises, we hereby expressly consent that our respective spouses execute the same and we join in, accept and consent to the terms and provisions thereof and agree to abide and to be bound thereby, and we do agree to execute and deliver all documents and to do all things reasonably necessary to carry out and complete the purposes thereof.

Furthermore, we, the undersigned, hereby appoint our respective spouses as our attorneys-in-fact to represent us in all matters with regard to the Agreement, and to do, on our behalf, all things reasonably necessary to carry out and complete the purposes of the Agreement, without our further consent or authorization.

Rosalinda Beatriz Gonzalez, spouse
of Raul Cardenas

Cristina Elisabeth Ramos, spouse
of Ricardo Cardenas

CONTRACTS:

1. **INTERNATIONAL TELECOMMUNICATIONS SERVICE
AGREEMENT BETWEEN LOGICAL TELECOM, L.P. D/B/A LN
PREPAID AND ALESTRA, S. DE R.L. DE C.V.;**
2. **CARRIER SERVICE AGREEMENT BETWEEN LOGICAL TELECOM,
L.P. D/B/A LN PREPAID AND BROADVOX, LLC.;**
3. **QWEST WHOLESALE SERVICES AGREEMENT BETWEEN
LOGICAL TELECOM, L.P. D/B/A LN PREPAID AND QWEST
COMMUNICATIONS CORPORATION;**

**CONTAIN CONFIDENTIAL AND PROPRIETARY INFORMATION. PLEASE
SEE LOGICAL TELECOM, L.P. D/B/A LN PREPAID'S MOTION FOR
PROTECTIVE ORDER AND RELATED EXHIBITS FOR THESE CONTRACTS.**



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

10/09/07

FILE: S024059

NATIONAL REGISTERED AGENTS INC
200 WEST ADAMS STREET
CHICAGO, IL. 60606

RE LOGICAL TELECOM, LP

DEAR SIR OR MADAM:

IT HAS BEEN A PLEASURE TO APPROVE AND FILE YOUR APPLICATION FOR ADMISSION TO TRANSACT BUSINESS THAT REGISTERED YOUR LIMITED PARTNERSHIP WITH THIS OFFICE ON 10/09/2007. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR VENTURE. PLEASE NOTE THE ASSIGNED FILE NUMBER MUST BE USED WHEN TRANSACTING ANY BUSINESS WITH THIS OFFICE.

WE ARE RETURNING THE FILED COPY OF THIS DOCUMENT TO YOU FOR YOUR RECORDS.

THIS OFFICE LOOKS FORWARD TO ASSISTING YOU IN THE FUTURE.

SINCERELY YOURS,

A handwritten signature in cursive script that reads "Jesse White".

JESSE WHITE
SECRETARY OF STATE
BUSINESS SERVICES DEPARTMENT
LIMITED PARTNERSHIP DIVISION
#(217) 785-8960

DO NOT STAPLE

DATE 10-09-07 FEE \$250 -
 SOSIL FILE NO. 8024059
 FILED EXPEDITED BY: AF

Form LP 902
January 2005

Filing Fee: \$150
 Submit in duplicate. Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.R.A.'s check or money order, payable to Secretary of State.
 Please do not send cash.

Department of Business Services
 Limited Partnership Division
 357 Howlett Building
 Springfield, IL 62756
 217-785-8960
 www.cyberdriveillinois.com

Correspondence regarding this filing will be sent to the registered agent of the Limited Partnership unless a self-addressed, stamped envelope is included.

Illinois Secretary of State
Department of Business Services
Application for Admission to Transact Business
(Foreign Limited Partnership or LLLP)

Please type or print clearly.

1. Limited Partnership Name: Logical Telecom, LP
2. Address of office at which records required by Section 111 will be kept:
1920 S. Main Street, Suite 271
Street Address (P.O. Box alone is unacceptable.)
McAllen, TX 78503
City, State, ZIP, County
3. Federal Employer Identification Number (E.E.I.N.): 202258627
4. Limited Partnership formed in jurisdiction of: Texas on: 3/16/2005, and validly exists there as a Limited Partnership on this file date. (Attach current Certificate of Existence from jurisdiction.)
5. Assumed Name, if any, under which Limited Partnership will transact business in Illinois:
LN Prepaid
6. An Application to Adopt an Assumed Name (Form LP 108) is attached.
☒ Yes
☐ No
7. Registered Agent: National Registered Agents, Inc.
Name
Registered Office: 200 West Adams Street
Street Address (P.O. Box alone is unacceptable.)
Chicago 60606 Cook
City (must be in Illinois) ZIP County

Form LP 902

8. The undersigned agree(s) to keep the records detailed in Item 2 until the Limited Partnership's registration in this state is cancelled.
9. This is a Foreign Limited Liability Limited Partnership:
☐ Yes
☒ No
10. The Illinois Secretary of State is hereby appointed the agent of the Limited Partnership for service of process under the circumstances set forth in Section 907(e) of the ULPA.

Names and Business Addresses of all General Partners. If an entity that is not registered or qualified in Illinois, submit original Certificate of Good Standing dated within the last 30 days.

- | | |
|---|---|
| 1. <u>RAC Logical Management LLC</u>
<u>General Partner Name</u>
<u>1920 S. Main Street</u>
<u>Street Address</u>
<u>McAllen, TX 78503</u>
<u>City, State, ZIP, County</u> | 2. _____
<u>General Partner Name</u>

<u>Street Address</u>

<u>City, State, ZIP, County</u> |
| 3. _____
<u>General Partner Name</u>

<u>Street Address</u>

<u>City, State, ZIP, County</u> | 4. _____
<u>General Partner Name</u>

<u>Street Address</u>

<u>City, State, ZIP, County</u> |

The undersigned affirms, under penalties of perjury, that the facts stated herein are true. The original application to transact business must be signed by at least one General Partner.


Signature

Raul Cardenas - Manager
Name and Title (type or print)

RAC Logical Management LLC
General Partner Name if a corporation or other entity (must be in good standing)

**Signatures must be in black ink on an original document.
Carbon copy, photocopy or rubber stamp signatures
may only be used on conformed copies.**



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

10/09/07

FILE: S024059

NATIONAL REGISTERED AGENTS INC
200 WEST ADAMS STREET
CHICAGO, IL. 60606

RE LOGICAL TELECOM, LP

DEAR SIR OR MADAM :

WE HAVE RECEIVED AND PLACED ON FILE YOUR APPLICATION TO ADOPT AN ASSUMED NAME.

THE REQUIRED FEE HAS BEEN RECEIVED AND CREDITED. THE DUPLICATE COPY IS ENCLOSED.

THE ENCLOSED APPLICATION MUST BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER WHERE THE REGISTERED OFFICE OF THIS LIMITED PARTNERSHIP IS SITUATED ONLY IF THE SECRETARY OF STATE'S ASSIGNED FILE NUMBER IS BELOW 22000. THIS NUMBER IS LOCATED IN THE UPPER RIGHT CORNER OF THIS LETTER.

ENCLOSURE

SINCERELY YOURS,

A handwritten signature in cursive script that reads "Jesse White".

JESSE WHITE
SECRETARY OF STATE
BUSINESS SERVICES DEPARTMENT
LIMITED PARTNERSHIP DIVISION
#(217) 785-8960

DO NOT STAPLE

DATE 10-09-07 FEE \$140 -
SOSIL FILE NO. 8024059
FILED EXPEDITED BY: A.C.

**Form LP 108
January 2005**

Filing Fee: \$150 for each year or part thereof ending in 0 or 5; \$120 for each year or part thereof ending in 1 or 6; \$90 for each year or part thereof ending in 2 or 7; \$60 for each year or part thereof ending in 3 or 8; \$30 for each year or part thereof ending in 4 or 9; \$50 to cancel or change an assumed name.

Submit in duplicate. Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.P.A.'s check or money order, payable to Secretary of State. Please do not send cash.

Department of Business Services
Limited Partnership Division
357 Howlett Building
Springfield, IL 62756
217-785-8960
www.cyberdriveillinois.com

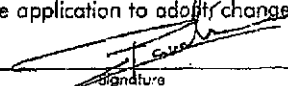
Correspondence regarding this filing will be sent to the registered agent of the Limited Partnership unless a self-addressed, stamped envelope is included.

**Illinois Secretary of State
Department of Business Services
Application to Adopt, Change or
Cancel an Assumed Name
(Illinois or Foreign Limited Partnership or LLLP)**

Please type or print clearly.

1. Limited Partnership name: Logical Telecom, LP
2. File number assigned by Secretary of State: 3024059
3. Federal Employer Identification Number (F.E.I.N.): 20 225 8627
4. State or other jurisdiction under the laws of which the Limited Partnership is formed (check one):
☐ Illinois (domestic)
☒ Foreign (specify) Texas
5. **To Adopt** — The above named Limited Partnership intends to adopt and transact business under the assumed name of: LN Prepaid
6. **To Change** — The above-named Limited Partnership intends to cease transacting business under the assume name of: _____
and to commence transacting business under the new assumed name of _____
7. **To Cancel** — The above-named Limited Partnership intends to cease transacting business under the assumed name of: _____

The undersigned affirms, under penalties of perjury, that the facts stated herein are true. One General Partner must sign the application to adopt, change or cancel an assumed name.



signature
Raul Cardenas Manager

Name and Title (type or print)
RAC Logical Management LLC

General Partner Name if a corporation or other entity

Signatures must be in black ink on an original document. Carbon copy, photocopy or rubber stamp signatures may only be used on conformed copies.